

An Effective Shipping And Management Of The Warri Port For Exports Including Oil And Gas Products For Economic Growth In Niger Delta

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ABSTRACT

Nigeria has six major ports, of which Warri Port is well located in the Niger-Delta, home to the vast natural resource oil and gas. The production and export of this internationally demanded and viable product depend on the port services to deliver its consignments to the international market. It is on this premise that this research looks into the opportunities available to the Warri Port, to annex in order to boost its local economy while contributing to the national economy.

Warri Port has obviously been left fallow over the tears as a result of the concentration of the bulk of maritime services with main activities of shipping and port management in Lagos, which have already become saturated with the overbearing and ever demanding Nigeria need for imports since the country is to a large extent a consumer state that imports more than she export. To this end, the researcher looks into the migration of services from Lagos to actively involve other ports in the country including Warri Ports to ease the gridlock in Lagos, and thereby create more jobs in other regions with active ports.

The need to have functional ports with clarity and direction of purpose for a profitable economy was noticed to be a missing link that must be fixed to reposition most shipping and ports management in Nigeria, and applicable to the Warri Ports. It was observed that corrupt practices raved most ports including the Warri ports in Nigeria, and to ensure integrity and best of accountability, measures such as direct payment of customs excuse duties to government designated bank account, have been taken by the Nigerian



Ports Authority, the governing body of all ports in Nigeria for transparency and best fund and profit management to sustain the nation's economy.

Continuous dredging of Warri Ports to keep the depth for vessel passage would be necessary for best sustainable use of the port.

INTRODUCTION

The Niger Delta being an integral and economically buoyant and viable region of Nigeria, have become a major world economic base for the oil and gas industry supplying a very highly significant proportion of the crude oil and liquefied natural gas usage worldwide. This contribution is not without a major play of the operations that support the transportation of these products either before or after refining across the oceans and waters to various parts of the world.

IMPORTANCE OF THE REGION IN THE OIL AND GAS INDUSTRY GLOBALLY

The importance of this region therefore is crucial in the economics of world energy and thereby provoke the need for adequate consideration of proper management of the shipping and the ports of berthing of the career ships usually called vessels. Like most of the oil rich countries, surrounded by at least one of the seven seas namely the Mediterranean Sea, Red Sea, Persian Gulf, Gulf of Aden, Black Sea, Caspian Sea and Arabian Sea, (Charpentier, 2014) the Niger Delta is surrounded by water bodies, and informs why the region have established ports with which their oil and gas products are mainly transported to other end users worldwide. Their business operations involve significant risks and they surely must be well managed to give excellent results in long term profits economically, prosperity, and development of the region.



IMPORTANCE OF SHIPPING OF OIL AND GAS PRODUCTS IN THE NIGER-DELTA

The importance of shipping of oil and gas products from the Niger Delta is a major gateway to the sustainability of the vast wealth of the region among nations of the world producers of oil and gas. The majority of the world's crude oil is transported by tankers from producing areas including the Middle East, and Niger Delta to refineries in consumer areas as Europe, Japan and the United States, (Kraus, 2011). Oil products were originally transported in large barrels on cargo ships. With the first tanker ship built in 1886, carrying about 2,300 SDWT (2,240 pounds per ton) of oil, today's super tankers can carry almost 200 times as much oil being over 300metres long in length. Liquefied natural gas (LNG) is shipped as a cryogenic gas in specialised marine vessels with heavily insulated compartments or reservoirs. The LNG is off-loaded to storage facilities or regasification plants at the destination delivery ports. Sometimes, LNG in containers usually bottled gas may be shipped as cargo on marine vessels and barges. It is worth also noting that for ease of constant flow of these products, gathering and feeder pipelines often end at marine terminals or offshore platform loading facilities, so crude is loaded to tankers or barges for transport to crude trunk pipelines or refineries (Kraus, 2011).

DEMAND FOR EXCELLENT PORT MANAGEMENT

The demand for excellent port management is never over-emphasised as the damage poor management could cause to lives, investments and properties will never be compared to the gains of excellent and effective best practice management. As the oil and gas industry globally and especially in the Niger Delta continually gain increased economic power and production levels, the need for improved knowledge in ports



management have become very crucial to adequately harness the vast wealth of the region to much more improve their national economy which transfers on to the lives, living standards of their nationals, local staff and expatriates in the Niger Delta oil and gas business.

A moderate to limited information and data are available in the oil and gas transportation for exports at the Warri Ports, but there is need to encourage the use of this Port in order to create an enabling working and economic viable Port that will expand the region and boost the lives, financial base and the bigger economy of the area.

We looked at international ports in comparison, where necessary to challenge the drive to reposition this Warri Port to accommodate ships from across the world and create wealth for the peoples of the Niger-Delta and Nigeria as a whole. The causes of poor Ports management in order to find solutions for best practices and improve on the standards of the Warri Ports to generate higher yielding turn around exports for the oil and gas industry in the region. This is a task to the done now.

Whereas the peoples of Warri, and environs within the region of the Niger-Delta are generally and much more involved in agriculture and agricultural production, the impact of the oil and gas exploration, exploitation, and production on the ecosystem of the land have been huge over the years.

It is therefore pertinent to address the need to bridge the gap of oil and gas services, and the need to manage our ports adequately for both the sustenance of the oil and gas exports, and to also facilitate the improved levels of agricultural produce for exports and support the move to help mobilise food production for economic recovery and gains especially for reduction of unemployment in Nigeria.

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RELEVANCE

The research employed general and critical review of accessible literature, arguments,

and other researches about shipping and ports management with a view to identifying

lapses in operational management in the oil and gas industry in the Niger Delta. The

research addressed the question of why there were several forms of losses due to poor

management.

The research which was based on a combination of secondary data, primary data where

possible and accessible through direct interviews with applicable key ports management

personnel. The research which aimed to specifically targeted and addressed concerned

areas limited to ports operation and management. There are positive hopes that strong

relevant recommendations for applicable use and implementation in operations of the oil

and gas shipping and ports management in the Niger Delta, will ultimately reposition

Warri Port.

As there have not been any much information or comprehensive studies on the

operational risk management in shipping and ports management in the Niger Delta

which were earlier published to the candidate's awareness, it had therefore generated the

special interest for this research with an aim to give some light and help produce a well-

researched findings and paper for publication to be a useful guide for the oil and gas

industry in the region, and also possibly applicable for other regions, especially relating

to shipping and ports management.

The importance of synchrony of the regions operational risk management with standard

procedure as spelt out by the international maritime organisation (IMO) would be

necessary to create a balance of what is being done, not done and what is expected as a

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way of standard procedure internationally accepted. This would also deter the usual

problem of who takes the responsibility when an incident occurs and to what extent

liabilities could be deemed on the active parties involved at any given time. As Noble

(2012) noted, when a major casualty occurs, many interests come to play. Knowing who

is responsible for what is often confusing, and can get in the way of an effective

response.

The character of a casualty response will depend greatly on the interaction between

attending the management of the incident, strong leadership response skills and a

general spirit of good will and cooperation. A key to successful response would be that

individuals attending a casualty incidence have an appreciation of why others are may

react the way they do. However, there is great need to understand levels of authority and

knowledge of who is in charge at sea is ultimately relevant in this. This is especially

important as major ship wrecks could be devastating with major losses of lives, high

ecological and environmental damages that will affect the people, nations and

companies involved. The economic losses in such incidents within the oil and gas

industry are always highly colossal.

This is why there is need to correlate the practices in shipping and ports management in

the oil and gas industry to adequately cater for best practices in the operational risks and

its management within the marine world and thereby help reduce the risk of more

environmental damage, pollution and gross neglect to our worldwide waters and

waterways to ensure the health and safety of human lives and property. This on the long

term would save business running costs and time for clean-up.

SIGNIFICANCE OF THIS RESEARCH

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The economic gains of the full operation of Warri Port will absolutely turn around the life, politics, behaviour, economy, commerce and development of infrastructure, and facilities for best living conditions of the citizens, indigenes, and residents of the area and host communities of Warri Ports, for the best.

IMPORTANCE OF THE MARITIME SECTOR IN NIGERIA

The maritime activities in Nigeria provide one of the vital links with the outside world. To a large scale and extent, the export and import of goods for the most part, take place through the nation's sea ports. So, the maritime services therefore in Nigeria, is to facilitate foreign exchange earnings from exports and imports or access to capital, intermediate inputs and even raw materials which cannot be obtained locally.

AN OVERVIEW OF NIGERIA RESOURCES AND NEED FOR MARITIME SERVICES

Nigeria acknowledged as the most populous African country, declared as having one in every five Africans (other known as Blacks) anywhere in the world, is blessed with abundant of natural resources. Ranging from natural gas, crude oil, vegetative crops, animal husbandry, and a wide species of fisheries, Nigeria can be said to be positioned to be a giant, especially with so much water resources, an expanse of Economic Exclusive Zone of 216,789 Sq. Km. for exploitation and productivity.

Nigeria's fast growing population strength of approximately 200 million people, is ever demanding for several products worldwide, ranging form varieties of exotic cars, clothes, household goods, manufacturing, and industrial materials and general goods for their day to day living, and infrastructural development of their economy and various projects sponsored by the three tier governments, being Federal, State, and Local Government Area for ease and simplicity of administration and governance.



It is therefore necessary to position facilities and best practice management, for the delivery and implementation of people-oriented and focused services in the overall shipping and ports management in Nigeria.

It is to this prospect, that this academic research work is dedicated, with the aim of propelling the need to drive excellence in the management of our ships, shipping processes, and ports for best movements of goods services and international trade.

A BRIEF INSIGHT ON PORTS IN NIGERIA

Nigeria has six major ports located in the abundant water resources in the south of the country. These are Roro (Apapa) Port, Tin Can Island Port, Warri Port, Port Harcourt Port, Calabar Port, and Onne Port. Okwedy (2021) noted that the bulk of trade have been centred and concentrated in Lagos foe many years, leaving all the other ports crippled in economic activities. Several reasons or excuses have been given why Lagos Ports have continually been the exclusive commercial centre of trade, shipping, and ports management for so long. These include that it is well easier to access, and cheaper to use, compared to the others, that are more distant to access, more costly to use, and furthermore, within regions of more insecurity to facilities, ships, and shipping personnel. However, these reasons do not satisfy the generality of Nigerians, especially the indigenes of the south of Nigeria, and more so, the people of the Niger-Delta, the oil rich and wealthy area of Nigeria, and hub of the economy.

It is the carrier of the major area of production of crude oil, and its exports to the international community, and by a large extent, the main source of income to Nigeria.

It is worth noting that with the expansion of life and people flocking to Lagos for greener pastures, or better lives, and best of jobs or business opportunities, the course of shipping and ports management in Lagos has outgrown its borders. This have been noticed with the frequent gridlocks in the little spaced Apapa Ports (26.7 Sq. Km) and



surrounding environs of Lagos State (3,577 Sq. Km), with has the highest population of about 20 million in Nigeria.

The management and maintenance cost of the ports in Lagos versus the inconveniences caused to life, as people have become alarming such that all tankers, trucks, trailers, and other major transporters have to move to Lagos to clear and haul goods from berthing ships in Lagos for the entire country of Nigeria. This have become a pain where other ports are available for use to reduce this pressure, pain and process that could be eased to create best of opportunities for life to be at its brilliant creativity for the people of the other established ports in the south of Nigeria that have abundance of water resources including the high seas.

WARRI PORT: AN OPEN OPPORTUNITY IN SUSPENSE

Located in the swampy area of the Niger-Delta in the South part of Nigeria, Warri Port is positioned to drive the economy of the Niger-Delta, South part of Nigeria and the entire Nigeria at large. This port when in full capacity, should be active in the movement of the crude production from this south part of Nigeria with so much of oil wells and expected refineries which also have been grounded for many years, leading to continuous importation of refined petrochemical and petroleum products from other foreign countries whereas Nigeria has the refining capacity for her own oil and gas produce.

With a vast number of the elites in this area of the country, lifestyle is grand for her indigenes and to help source and support the need to get best service from shipping and port management is so much inevitable. The need therefore to deactivate and revamp Warri Port have become a daily cry to very well open up the economy of the city, area, and promote best of entrepreneurial activities of commerce. It is very surprising to note that with so much of oil and gas in the region, the majority of the people of the land still

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live in the poverty border line of less than a dollar per day. This is an aberration to the rule that the goose that lays the golden egg should be well catered for. This therefore calls for a quick intervention and state of emergency call to redress this anomaly that has evolved from the neglect of the area, and particularly this Warri Port in question.

The Prospects of the Warri Ports:

It is on record that the Onne Port in the South of Nigeria, once handle 80% of Nigeria's export cargos between 2012 and 2017 because the port is situated in the oil and gas free zone and most of Nigeria's exports are oil and gas products. In consonance therefore, opening of Warri Ports being in the oil and gas rich area of the Niger-Delta of Nigeria will also enhance the high export level of these products and further increase economic activities of the city, state, region and country when in full operating levels. All instruments required to manage effectively the offloading and loading of ships, and fast clearing of imported goods will make Warri Ports a top choice of importers and exporters which will thereby raise the economy of the area and region and so, contribute to the overall GDP of Nigeria with many locals benefitting in contracts, supplies, jobs, and markets in a highly commercialised commerce for the overall wellbeing of residents and best living standards in the area. (NPP, 1995)

The Problems of Warri Ports:

It is said or postulated that the Warri Ports terrain is very swampy, and of a river rather than sea environment, and so need constant dredging to keep the depth of bed high enough to berth large vessels for best of shipping of goods and services into the area. However, it is argued that the cost of constant dredging of the channels leading the seas to the Warri Port cannot be compared with the huge losses incurred by business shipping their wares through Lagos Ports. Moreover, the benefits of having the Warri

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Port function at its maximum capacity overweighs the cost of constant dredging, as the numerous jobs to be created, the ease of clearing imported goods and the low cost of living the Port's operation will bring in.

Hitherto the crave for better management of ports in Nigeria, and especially the Warri Ports, some major problems that plagued it, and negatively imparted on its growth, potentials, and development for full scale productivity in extension also include the activities of sea pirates, hostilities among feuding communities that have hampered conducive business environment. This in collaboration with constant cases of kidnappings, and inter-ethnic crisis and clashes that had driven away progress, patronage of the Warri Port, and by default, caused many job losses, and at the worst, hindered more jobs creation (Okafor, 2019).

WARRI PORTS AND ITS NEED FOR UPGRADE TO MEET THE ECONOMIC **VALUES**

The economic gains of the full operation of Warri Ports will absolutely turn around the life, politics, behaviour, economy, commerce and development of infrastructure, and facilities for the best conditions of the citizens, indigenes and residents of the area for the best.

The upgrade of the Warri Ports industrial machines, cranes, and container loading lifts etc. is very crucial for the sustenance of the economic strength of the transportation and exports of oil and gas products to generate much more income and boost the economy of the area. The upgrade will raise the productivity and sense of duty to service and creativity in business, drive competitive growth of enterprises, micro small and medium enterprises, and business trades in the area.

Utilising the vantage location of the Warri Ports being in the swampy area of the Niger-Delta in the south part of Nigeria, it is well positioned to drive the economy of the

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Niger-Delta, South Part, and Nigeria at the large. Warri Port when in full working capacity, should be active in the movement of the crude production from this south part of Nigeria with so much of oil wells and expected refineries which also have been grounded for so many years, leading to continuous importation of refined petrochemical and petroleum products from other foreign countries whereas Nigeria have the refining capacity for her own oil and gas produce (Opesanwo, 1995). With a vast number of the elites in this area of the country.

Lifestyle is grand for her indigenes, and therefore to help source and support these the need to get best service from shipping and port management is so much inevitable. The need therefore to activate and revamp Warri Port have become a daily cry to very well open up the economy of the city, area, and promote best of entrepreneurial activities of commerce. It is very surprising to note that with so much of oil and gas in the region, the majority of the of the land still live in the poverty border line of less than a dollar per day. This is an aberration to the rule that the goose that lays the golden egg should be well catered for. This therefore calls for a quick intervention and state of emergency call to redress this anomaly that have jeopardized national economic growth as much insecurity have evolved from the neglect of the area, and particularly this Warri Port in question.

RISK MANAGEMENT IN THE WARRI PORT AND BEST PRACTICE

Risk management being a very well appreciated aspect of live and most industries is gaining major recognition in today's world of business from the health sector to the operation rig and on to the floating platforms of oil and gas establishments. The needed skills and management potentials are rare and therefore must be given utmost consideration for improved accommodation in the field of practice and so ensure the best application of safety measures had been well formulated, and guides put in place



and Nigeria on a larger scale.

through policies that would enhance best practice to reduce losses and increase profits globally.

It is said or postulated that the Warri Port terrain is very swampy and of a river rather

LOCAL INTERVENTIONS ON WARRI PORTS

than sea environment, and so need constant dredging to keep the depth of bed high enough to berth large vessels for best of shipping of goods and servicing into the area. However, it is argued that the cost of constant dredging of the channels leading the seas to the Warri Port cannot be compared with the huge losses incurred by business shipping their wires through Lagos Ports. Moreover, benefits of having the Warri Ports function at its maximum capacity outweighs the cost of constant dredging as the numerous jobs to be created ease of clearing imported goods and the low cost of living, the excellent operation of Warri Port, will bring to the peoples of the local area, region

The leaders of the Warri area which expanse the adjoining towns, villages, and network of communities, out judged to be waiting for prompt action form the Federal government of Nigeria to reposition the Warri Ports which will impart so much to their economic gains and productivity of the lands captured to this thesis. In furtherance of the plight that development will come faster, have cried out severally to the government of the larger country Nigeria to take action to invest and turn-around the Warri Port for the overall development of the people of the Niger-Delta, and more so the indigenes of the Warri area and environs. According to Ekpo (2019), there are great expectations in the shipping sector, and stakeholders are pushing to reposition the maritime sector which is driven by shipping, and ports management as an alternative income generation spot, for the development of the Nigerian economy.



REPOSITIONING OF THE NIGERIAN PORTS

In 2021, the Acting Managing Director of the Nigerian Ports Authority (NPA), Mr Mohammed Bello-Koko pledged to reposition the nation's seaports for increased efficiency. Safety and overall accountability as a management's determination to raise the operation of Nigeria's ports to be competitive with global standards (Bello-Koko, 2021). Some measures to enhance these new developments included the renewal and expansion of ports infrastructures, introduction of barge operations, automation of truck transit through the electronic call-up system and improvement in the sources of revenue and collection.

The Nigerian Ports Authority through its Acting Managing Director, Mr Bello-Koko, stated that income leakages would be curbed while, overhead costs reduced, to eliminate monopoly, conduct, formulate, and implement policies aimed at incentivisation for full patronage of the Eastern Ports, to create and encourage competition. In addition, conscious plans to enhance consolidation of revenue funds, and fiscal responsibility for compliance with international best practices, and therefore eliminate red tapes (boundaries) to operators, boost workers' morale give full capacity building to improve professionalism, intellectual know-how for best of operations of the maritime industry, particularly management of shipping and ports.

The hallmark of the Nigeria Ports Authority therefore is to make excellence the moving target and so redouble commitments to continuous improvement as an organisational culture for shipping and ports management in Nigeria (Bello-Koko, 2021).

The Nigerian Ports Plc. is one of the largest government-owned establishments, and was set up in 1954, known then as Nigerian Ports Authority, by an Act of Parliament of the British Colonial Administration (Adamu, 1995). Clearly, the Nigerian Ports Plc has played a pivotal role in the Nigeria's economic development. With a vision in a slogan,



'the Gateway to the Nation's Economy', this sector is so crucial to Nigeria's development.

The Nigerian Ports Plc by nature, have designed its operation to run profitably, and have continually maintained that status quo, and have therefore met its vision as the gateway to Nigeria's economy. It is pertinent to note that all ports in Nigeria can work maximally, and perform optimally as the volume of goods imported and needed in the country is huge. Obviously, this spells good business for Nigeria, her economy, and by implication, citizens. This impressive achievement is therefore not only traceable and attributed to the hard work and dedication of its staff and management, but even more so to the support and patronage of national and international port users in Nigeria (Opesanwo, 1995).

Osinbanjo (2021), Vice President of Nigeria at the time of this research, strongly stated that one of the solutions to the problems of ports management in Nigeria, was process manual, which he identified would foster an enabling environment for domestic and foreign port users at the nation's seaports. Process manual is a step-by-step trajectory of processes at the ports. It guides stakeholders on timelines, documentation, payments, agencies, implementation chain and provides clarity and transparency and accountability to curb corruption in the ports

WHY THE NIGERIAN PORTS MUST WORK?

Nigeria was originally an agricultural state, excellent in production of various food and cash crops, both for local consumption and in some cases, such as cotton, groundnut, cocoa, and palm produce, for exports by the then colonial administration, while finished products, mostly consumables like biscuits, clothes, beverages and such home use materials, were the major imports (Adamu, 1995).

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Today, imports seem to spread to almost all commodities, and everyday need items for the Nigeria and Nigerians that tend to love more foreign goods than local content goods

possibly for show of international and global feel-good factors.

Oil boom of Nigeria in the 1970s did not help matters, as the idle status woke up and caught up Nigerians who showed much interest in the quick and easy monies from

crude oil and exports yielding much foreign exchange currencies, especially the Dollars.

NIGERIA INTERNATIONAL TRADE DEPENDENCE ON SEA PORTS

With the principal trading partners of Nigeria being United Kingdom, United States of America, France, Germany, Japan, Italy, China, Belgium, Singapore, Canada, etc. and

major regions of Serbia (such as Kosovo &Vojvodina) and Slovenia all of the defunct

Yugoslavia. While Nigeria export crude oil, and agricultural products to most of these

countries, which in return export to Nigeria (that by implication imports) agricultural

equipment, machinery, electronics, automobiles, aircraft, ocean going vessels, raw

materials, to modern craved clothing or personal care homestead materials (Adamu,

1995).

As Nigeria, basically and fundamentally is a consuming country, by the fact that she

imports more than she exports, have a strong trade imbalance in favour of countries she

trades with.

THE EXPORT PROCESSING ZONE (EPZ)

This is an economic designed area and sea-based region that foster and therefore

promote the necessity for export-based industrial promotion that aim to exploit the vast

potentials and opportunities for export production. This implies that more specialised

products would be encouraged to be produced, manufactured in order to create goods

for exports only and therefore attract investors to the operative area. The EPZ, in

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summary, aim to encourage exports, and statutorily, forbids collection of tariffs, and excise duties on goods produced.

INCOME GENERATION FROM CUSTOM EXCISE DUTIES

The high volume of imports creates very huge revenue generation to the Nigerian

treasury as customs duties since 1994, have been mandatorily demanded to be paid

directly to government treasury through designated banks. This in addition to the

government's grant of a number of incentives to the public servants in institutions which

were responsible for revenue collection in order to enhance better and optimal

performance in their duties, and by default raise the economy of Nigeria by adding

value to service (Adamu, 1995).

THE ROLE OF INSURANCE FOR CARGOES AND CONTAINERS

The need for insuring containers has become inevitably mandatory. Oni (2021), who is

personnel of Nigeria Shippers Council for Shippers, emphasized that its implication

further enhances the reduction of bearing risks by shippers, importers and exporters.

The authority personnel posit that the liability cushioning of major risks and losses.

Thomas (2021), Chief Executive Officer, National Insurance Commission (NAICOM),

Lagos enumerated the classes of insurance applicable for shipping, cargoes, and

containers as:

CLASS A

The insurance policy which insures goods from port take off warehouse, to the storage

warehouse in the interior end user area.

CLASS C

The insurance policy that insures goods from the exporting port to the importing home

port.



GOODS IN TRANSIT

This insurance policy insures the ground transportation of the good from port to port and transit. It is a more intelligent policy that motivate importers to take insurance cover to enhance transportation of the goods, containers from one warehouse to another warehouse, thereby allowing the cover of the imported goods from the foreign country to be fully insured and not to worry over any form of damages in the course of land transportation in the home importer country, from the port warehouse to the end user warehouse in the hinterland. Any shipper therefore, that do not take such covers, Thomas concludes, could end up in the futile effort of shipping goods from the base exporting country to the importing country, only to suffer losses from damages while in the importer country while in transit for use within.

This development of insuring goods is in line with the best practice of shippers' protection measures. The Nigerian shipping environment is quite dynamic and could be very worrisome. This led to Nigerian Shippers Council (NSC) and National Insurance Commission (NICOM) joining forces in 2021 to address major problems faced by shippers and shipping lines.

This was to mitigate major losses of shipping of goods from around the world into Nigeria, and help create better regulation, safety, and strong usage of insurance to replace the former shipper container deposits of cargoes. That arrangement was of more disadvantage as most users suffered from losses incurred in funds paid for such containers, but had difficulties getting refunds of their deposits for such containers at return. Mojeed (2021), Chairman of Association of Nigerian Licenced Customs Agents (ANICA), at Tin Can Island Port, Lagos, decried the importance of the insurance scheme for total shipment protection and ease of job.



Okafor (2021), emphasised that the erstwhile application of container deposits, caused much delays and disruptions in the containers rent age and return after import clearance at the ports. So, he opined that the use of insurance cover, was best option to address the cost implications of doing business in Nigerian Ports. He further stated that making the container deposits were mere sanctions, rather than ease the goods shipping and clearing job by insurance covers that was by far better to allow sustainability and effectiveness of shipments getting safely to users.

Spelling out the need to switch from the old measures of container deposits, to the new and more actively result yielding insurance scheme, Ogbonna (2021), stated that the concept, took away large sums of down payments, and thereby reduced the overall costs of shipping that eventually culminate into cheaper prices of goods in the local Nigerian markets for living.

Inline with this development, the main operators and freight forwarders therefore have taken advantage of this new trend to advance best service and professionalism in the industry. So, the responsibility of container management now leaves the domain of the shipping companies agents to the insurance cover companies, that take full responsibility to return the containers that were used as collection sources, with less action on how the after ports management hold up for all stakeholders, such that any mishap from clearing unto the final delivery of such containers of goods in the interior, measuring up for major damages and risks on products and personnel in case of injuries due to accidents on the road or warehouse haulage.

All these costs are taken over by the insurance companies, where by paying standard premiums on the shipping and local transportation form port to port, and further activities of warehouse to warehouse, are fully covered by insurance companies, to ensure risk-freed and managed shipping and port services for best management that make the business thrive better.

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This again, was noted by the Chief Executive Officer of the Nigeria Shippers Council (NSC), Mr Emmanuel Jume (2021), that the inter-relationships of agents, shippers' council, and stakeholders to provide best services and foster best practice in the industry was the result of improved partnerships.

SHIPPING TIMES

The enjoining of shipping times management from abroad to Warri Port would very well help to drive traffic to use the port. Use of the major channels in shipping routes that help shorten the time line of marine transport of ships especially through the canal in North Africa Egypt region to avoid the merry-go-round route of sailing around the African continent from the North through the West down the South and possibly the East onwards to end destination. The time of shipping vis-a-viz the route of shipping that could take longer or forever, and therefore more fuel, and so more cost is a crucial decision to take in the planning of shipment, which by implication pushes up such shipping costs unto the markets. This therefore accounts for the increased costs of products from importers, that translates to numerous hikes in prices of commodities to the end user customers, that imparts on their overall standard of living.

WARRI PORT FOR AN ECONOMY WITH EXCELLENCE: A TASK FOR POSTERITY

Distilling the Warri Ports for an economy distinguished with excellence, is a task that must be done and achieved for posterity in economic development and sustainable growth in business. McGregor Liard, a Briton, as founder, laid the foundation of modern shipping in Nigeria, after he captained the first Iron Steamer to the Niger-Delta Coast of Nigeria in 1832, and then went further to establish the African Shipping Company in



1849. He at the time, entered into a contract with the British Foreign Office in 1856, to supply a Steamer every year for five consecutive years to promote trade in Nigeria (NPP, 1995).

The implication of the above event was to strongly make the point that there was a very high demand for shipping of goods, and need for effective and adequate port management to handle the quantum of imports or exports of goods in the country, and by its extension, the Warri Ports in the Niger-Delta. This obviously spells a vibrant lifestyle for the local area.

The Warri Ports, as earlier stated, occupy and is located in an economically viable and competitive region that will continually be virile for prosperous trades where much attention and investment is given to it to thrive and produce the needed impact.

In the past, major multinationals such as John Holt, the United African Company (UAC), and the Compagnie Francoise de I' Afrique Occidentale (CFAO) made much extensive use of the ports for the evacuation of export crops loke cocoa, palm oil, rubber, cotton, groundnut, benniseed, hides and skin, and their discharging points for imported goods (Adamu, 1995). With these crops being abandoned in the immediate past few years due to the discovery, exploration, exploitation, production, and exportation of crude oil that almost, if not formally, became a curse instead of being a blessing to the Nigerian State, as it fostered laziness, over dependence on the centre government for hand-outs, which increased corruption, and embezzlements of state funds for individual (private) and selfish gains.

The re-activation, refurbishing, investment and total turnaround of the of Warri Ports, will create the opportunity for a repositioned Niger-Delta for great development and economic power for the prosperity of her citizens, or residents that will quench the timeless and ceaseless troubles, fighting, agitations, and corruptions, that have plagued



the region, area, and peoples of the Niger-Delta which will therefore, hopefully, regain and rebound the confident people and vibrant economy of the land. There is therefore promised hope for essentially the evolution of modern shipping and best management of ports in Nigeria.

The full operation of the Warri Ports will fully mobilise the operation of many other sectors including Aviation, Railway, and Road Transportation Network in the area, region, and beyond, which will by default foster more trades locally that will boost economic activities that therefore will create jobs, and curb unemployment, and instead employ more people.

WARRI PORT: SOLUTION WAITING TO DECONGEST APAPA PORTS & EASE LAGOS GRIDLOCK

With the current close to 90% of all imports coming into Nigeria via the Lagos (Apapa and Tin Can Island) Ports, there is no meaningful development for other ports in the country to thrive and blossom (Adamu, 1995). It is therefore pertinent to note that the Warri Port among others in the coastal line of Nigeria when opened up will ease the gridlock in Lagos. It will also decongest the Apapa and Tin Can Island Ports, and so make imports get faster to the interior of Nigeria, and thereby create more jobs, and support a high sense of belonging in the coastal states, and the Niger-Delta in particular. Once again, with the taste loving and high class or high life loving people of the Niger-Delta, who by way of lifestyle demand more foreign and custom-made or designers' goods, wears, fabrics, and exotic cars to homestead articles, the opening of the Warri P\orts will thrive so much as the traffic of vessels into the Ports will be very high with importation of such high class and profit-oriented goods. When this can be done, despite the counter-productive nature on homemade goods, and local content, the hyper active nature of the Port will create, stretch the management of the port, but would by nature

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revive the "WARRI" life as it were, when the oil boom and oil companies and oil

servicing companies were so active with the days of active oil and gas business in the

Warri area that created the name "OIL CITY" for the Warri metropolis. I imagine how

the new slogan would the "PORT CITY" to acknowledge the influence of the Warri

Port activities on the lives and economic gains of the land and her peoples in prosperity.

This is the whole essence of this research.

HANDLING VESSELS AND CARGOES

Where incoming vessels and cargoes are well endowed with the improved facilities and

well provided modern equipment that match international standards and of course

accredited or approved by the international maritime organisation (IMO).

The Nigeria sea ports in general must be well equipped and much development made by

the rehabilitation and upgrading of its port infra and super structures in order to make

them comparable to any port in the world in terms of acceptable standards in the

maritime industry, and in technological developments in the shipping business.

COMMERCIALISATION OF WARRI PORT

One major means to measure or attain best performance and drive best outputs in the

port management of more shipping activities in our Nigerian Ports, and especially in our

focus area, Warri Port, is to privatise its management

BENEFITS OF PRIVATIZATION OR FULL COMMERCIALISATION OF

WARRI PORT

The full commercialisation or privatisation of the Warri port will absolutely generate the

following:

Attain new status and so become the dominant business in the area and region.



Expand new and related areas of business including skills development for maritime industry.

Pay competitive and attractive wages to motivate thorough welfare services and keep optimal work force enviable to the area.

Efficient, competitive and profitable inputs in the best operations to boost Nigerian economy.

Maintain better and up-to-date management information systems in all aspects of the port.

Enhancement of customer service and oriented structure for the end users to best meet needs.

To become business conscious rather than government parastatals entity status, that will create a tremendous retention of workforce or boost the number of employs.

Unhindered access to the sea port by the land locked states within the region and Nigeria that shall catch the opportunity of the Warri port to import and export their goods.

Possibility of stemming international joint ventures for technical know-hows and operation.

Raise dockyard industry and create industrial harmony for employment and business.

To position the port for investments and attractive business to national and international investors that could come in to boost local and national economies for overall growth.

IMPACT OF COVID-19 ON THE OPERATION AND OF WARRI PORT

The operations of the Warri ports did not go past without the effect of the coronavirus pandemic (also known as covid-19) being noticed since year 2020 until time of this research. According to Nasiru (2021), the covid-19 pandemic created sever disruptions



respectively.

to the global supply chain in 2020, and the port economy in Nigeria was no exception. The management of the Nigeria Ports Plc. responded swiftly in kind by rolling out a

regime of measures that guaranteed minimal interruption to the flow of essential

consumables including vital medical supplies and industrial goods into the country.

A study by Michael and Melas (2020) showed that the outbreak had a direct impact on the dry, bulk, and dirty tanker segments of the shipping industry. The authors were able to identify two phenomena they called the second, and third round effects which described the decline in oil price and impacted strongly on the stock market

The resultant lockdown on accounts of the pandemic had severe adversely impacted all sectors of our lives globally, However, despite efforts to insulate the shipping industry from a direct hit by the pandemic, the international chain for which shipping is central, according to Kuroshi (2021), suffered a historic low as a result of the virus. It is feared, he opined, that it might take several years to recover from the impact of the disease on global shipping or ports.

Notteboom and Pallis (2020) reported that there was a decline of up to 62% in port capacity utilisation globally as a result of the pandemic, Seaports, the duo found out, around the world have experienced a significant decline in calls by container, passenger, and cruise ships as a consequence of the pandemic.

The effect of the pandemic also threatened the world economy as there was a looming global recession which stood at 6% on the average. The tourism industry which accounts for 10% of the global gross domestic products (GPD) had been devastated by the pandemic and therefore, it was alright to state that covid-19 made global shipping worse, according to Shrestha et al. (2020).

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FINDINGS

The problems of Nigerian Ports cannot be attributed to any one source or government

administration, but spanned from one administration to another. One of such policies

was that initiated and driven by the Obasanjo's administration. In 2006, when the

introduction of a port reform forced the Nigerian Ports Authority (NPA) to relinquish

cargo handling responsibilities to private operators. That Port privatisation permitted the

NPA to retain its responsibilities for infrastructure, regulation, and monitoring, but

handed duties such as cargo-handling, maintenance, and security to port terminal

operators.

The initiative was expected to make for better ports efficiency, but on the contrary, the

ports efficiency deteriorated. With 99% of Nigeria's trade coming from the seas,

borders, the country's trade rest on port efficiency. However, the strict monitoring of

labour, control of extortion and reduction of damages of cargoes due to the ports'

reforms of the NPA, as noted by Vickky Hansstrup (2021).

CONCLUSION

The Warri Ports is well located to serve as a bridging point transportation for the Niger-

Delta in the clear production of products, oil and gas being the vast natural resource in

the area, and the shipping of this commodities to international buyers. The management

of Warri Port from the research was yet to be fully positioned for that export purpose.

However, with a planned repositioning and more funding investment, the manpower,

security and facilities in place are capable of a turnaround for the best of service

delivery, to boost the economy when operated.

RECOMMENDATIONS



Warri Port needs a full reactivation for best of operation, and also to reduce Lagos gridlock.

Continuous dredging of the Warri ports needs to be done to keep depth safe for entry vessels.

The port needs to be more engaged for exports of crude and allied oil and gas products.

More diligence must be taken to reduce corrupt practices by adopting world best practices.

Autonomy of operation must be respected for the effective function of the Warri Port.

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